

CHAPTER 95. EVALUATE AND AUTHORIZE A PART 121 OR 135 (10 OR MORE) APPLICANT/CERTIFICATE HOLDER TO USE “COORDINATING AGENCIES FOR SUPPLIER EVALUATION” (C.A.S.E.)

SECTION 1. BACKGROUND

1. PROGRAM TRACKING AND REPORTING SUBSYSTEM (PTRS) ACTIVITY CODES.

A. Maintenance: 3354

B. Avionics: 5354

3. OBJECTIVE. This chapter provides information and guidance for principal maintenance inspectors (PMI) and principal avionics inspectors (PAI) to evaluate and authorize a Title 14 of the Code of Federal Regulations (14 CFR) part 121 or 135 (10 or more) air carrier/applicant to use Coordinating Agencies for Supplier Evaluation (C.A.S.E.) in accordance with applicable Federal Aviation Regulations, FAA policy and the C.A.S.E. Air Carrier Section Policy and Procedures Manual (herein referred to in this chapter as C.A.S.E. Manual).

5. DEFINITIONS. Definitions unique to C.A.S.E. are contained in the C.A.S.E. Manual, chapter 1-2-0.

7. GENERAL. Sections 121.373(a) and 135.431(a) require each certificate holder to establish and maintain a system for the continuing analysis and surveillance of the performance and effectiveness of its inspection program and the program covering other maintenance, preventive maintenance, and alterations and for the correction of any deficiency in those programs, regardless of whether those programs are carried out by the air carrier or by another person.

NOTE: References to “C.A.S.E. audits” contained in this chapter are those audits performed by C.A.S.E. certified auditors to the C.A.S.E. 1-A Standard (reference paragraph 9-I and listed in the C.A.S.E. Register). C.A.S.E. auditors are air carrier members certified by C.A.S.E. to perform these audits.

A. The FAA may authorize an air carrier to use C.A.S.E. (audit) to satisfy the air carrier’s surveillance requirement of §§ 121.373 (a) and 135.431(a), as

applicable. The authorization is granted through the issuance of operations specifications (OpSpecs) D090. The C.A.S.E. audit is intended to look at the air carrier’s programs required by §§ 121.367 and 135.433. Examples of what the audit should include are contained in Advisory Circular (AC) 120-79, Developing and Implementing a Continuing Analysis and Surveillance System. When evaluating an authorizing an air carrier to use C.A.S.E., the PI shall understand and consider possible C.A.S.E. audit limitations. The regulations (§§ 121.367 and 135.433) allow each air carrier to develop their own programs. Program differences might be in the way each air carrier trains personnel; purchases and receives parts and materials; performs inspections, maintenance or alterations; calibrates tools; records maintenance; etc. With few exceptions, the C.A.S.E. 1-A Standard only looks at part 145 compliance. The 1-A Standard might not take into account individual/particular air carrier program elements/requirements. If the C.A.S.E. 1-A Standard does not take into account the particular way the air carrier performs their programs, the air carrier shall account for the differences, possibly, with their own audit.

B. Additionally, the C.A.S.E. audit, by itself, might not satisfy all the additional requirements of §§ 121.373(a) and 135.431(a). Data produced and collected by the C.A.S.E. audit shall be “analyzed” to determine that the air carrier’s programs are working “effectively” as intended and that any “deficiencies are corrected.” The air carrier’s use of C.A.S.E. shall not function as a stand-alone program. Rather, it shall function as a coordinated part of the air carrier’s continuing analysis and surveillance system.

C. The FAA requires C.A.S.E. activities to be conducted in accordance with the most current revision of the C.A.S.E. Manual (reference 9B) and the certificate holder’s manual.

NOTE: The C.A.S.E. Manual should not be confused with the air carrier’s manual. Both manuals should contain information and guidance on C.A.S.E. However, the

C.A.S.E. Manual is produced by C.A.S.E. Incorporated for its members and is, in itself, non-regulatory. The C.A.S.E. Manual may not be contrary to the regulations and the certificate holder's manual. The certificate holder's manual is regulatory and is the governing document for the certificate holder when using C.A.S.E. The certificate holder's manual may include or reference the C.A.S.E. Manual in whole, or in part.

D. The certificate holder is primarily responsible for regulatory activities performed for it by C.A.S.E. This includes surveillance and the airworthiness of parts and materials processed through any C.A.S.E. approved vendor or contractor.

E. Should the air carrier section of C.A.S.E. Incorporated cease to exist or function or should the certificate holder cease to maintain an "active sustaining" membership (reference 9F), the authorization OpSpecs D090 is cancelled.

F. Changes to the C.A.S.E. Manual are subject to acceptance by the Manager, Aircraft Maintenance Division, AFS-300. C.A.S.E. has provided AFS-300 with full access to the C.A.S.E. Register. AFS-300 has assigned a C.A.S.E. Program Manager to act as FAA liaison to C.A.S.E.

9. COORDINATING AGENCIES FOR SUPPLIER EVALUATION.

NOTE: It is neither practical nor intended to include all the information about C.A.S.E. in this chapter as is contained in the C.A.S.E. Manual. However, it is essential for the PMI and PAI to be knowledgeable of, and keep current with, the information contained in the C.A.S.E. Manual in order to properly evaluate, authorize, and perform surveillance on an air carrier's use of C.A.S.E. This can be accomplished through self-study, i.e., reading the C.A.S.E. Manual or by observing C.A.S.E. training as referenced in section 2.

A. History. C.A.S.E. Incorporated was organized in 1982 as a means of sharing non-prejudicial vendor/supplier and parts distributor quality approved data and audit tasks among its membership. Currently, C.A.S.E. Incorporated is made up of two sections, the Air Carrier Section and the

Aeronautical Repair Station Section. The Air Carrier Section of C.A.S.E. is a non-profit group established by certificated air carriers for the benefit of member air carriers. This chapter will only discuss C.A.S.E. Air Carrier Section. Additional information about C.A.S.E., e.g., its mission, history, organizational chart, bylaws, etc, can be found at their public Web site at <http://www.caseinc.org/>.

B. C.A.S.E. Manual. C.A.S.E. Air Carrier Section has produced a manual that provides guidance to its members so that business may be conducted in an orderly manner.

(1) C.A.S.E. considers the contents of their manual binding on all C.A.S.E. Air Carrier Section members. The manual chapters are titled: Introduction and Policy Statement, Program Description and Administration, Membership Requirements and Obligations, Program Operation, Audit/Inspection Standards, and Forms.

(2) Each air carrier should issue, and keep current, a copy of the C.A.S.E. Manual to its principal inspector (PI). C.A.S.E. Manual revision status can be verified by checking the C.A.S.E. Web site as noted in this chapter. Contents of the C.A.S.E. Manual shall not conflict with 14 CFR or the certificate holder's manual system.

C. Deviations and Exemptions. The C.A.S.E. Manual includes a process for permitting deviations to or exceptions from the requirements stated in the C.A.S.E. Manual. The Audit and Compliance committee should provide the deviation and/or exemption in accordance with the procedures in the C.A.S.E. Manual. C.A.S.E. deviations and exemptions are not applicable to regulatory requirements including ops specs requirements.

D. Data Center. The C.A.S.E. data center is a data collection and dissemination center maintained by a company (AVINFO) in Fort Lauderdale, FL., through direction from C.A.S.E. Incorporated. The data center maintains the C.A.S.E. Register and should keep on file all vendor/supplier and parts distributor information transmitted by C.A.S.E. sustaining members.

E. C.A.S.E. Organization and Committees.

(1) A Chairman and Vice Chairman head up the C.A.S.E. Air Carrier Section organization. The remainder of the organization is made up of the following nine committees each with its own chair and vice chair:

- Operations
- Data Base
- Training
- Standards & Procedures
- Membership & Promotions
- Audit & Compliance
- Fuel
- Newsletter
- Air Carrier Section

(2) The chair and vice chair position are voted on by the section members.

F. Membership. C.A.S.E. limits its membership in the Air Carrier Section to certificated air carriers operating in accordance with the aviation regulations of the certifying government. The C.A.S.E. Air Carrier Section recognizes two classes of membership, sustaining and associate. The FAA requires the air carrier to maintain an “active sustaining” membership (reference C.A.S.E. requirements for company representatives). Should the air carrier cease to maintain an active sustaining membership, OpSpecs D090 will be cancelled. Sustaining membership is limited by C.A.S.E. to air carriers that have at least one C.A.S.E. Level III Auditor or Level IV Evaluator qualified to the 1-A Standard. If a sustaining member loses all level III/IV Auditors/Evaluators, within thirty days that member should apply to the Audit and Compliance Committee Chair for an exemption to this requirement until such time as it has a qualified replacement. The time limit for obtaining the replacement should be established by the Audit and Compliance committee chair. Members are expected to attend meetings regularly and to actively participate in the work of the organization.

(1) C.A.S.E. requires that its Air Carrier Section sustaining members shall:

(a) Agree to comply with all the requirements specified in the C.A.S.E. Manual and to share audit data with C.A.S.E. members in good standing.

(b) Agree to complete allocated audits at required/scheduled time. If this is not possible, the scheduled member shall submit a “Schedule Change” transmittal to inform the membership.

(c) Maintain documented vendor/supplier audit procedures in their manual system. Procedures should meet the minimum standards specified in 2-2-0 of the C.A.S.E. Manual.

(d) Maintain a history file of vendor/supplier audits, findings, and corrective action (follow-up-system) in accordance with the C.A.S.E. Manual.

(e) Maintain a list of approved vendors/supplier for control and internal dissemination.

(f) Maintain records of vendor/supplier quality problems and performance and of component reliability.

(g) Maintain at least one C.A.S.E. Level III Auditor or Level IV Evaluator qualified to the 1-A Standard.

(h) Establish and maintain, with appropriate hardware and software as defined by the Data Base committee, connection to the C.A.S.E. computer system.

(i) If the air carrier elects to provide their PI with the C.A.S.E. Manual, that member is responsible for providing revision service for that manual.

(2) C.A.S.E. requirements for company representatives include the following: (additional duties and responsibilities are contained in C.A.S.E. Manual, chapter 2-1-0):

(a) A member company’s representative to C.A.S.E. is expected to attend semi-annual conferences. The representative is required to serve actively on at least one committee. Active participation is considered to be in the form of discussions, research, and time spent in support of committee functions. If the representative (or that person’s designee) is absent for two or more consecutive conferences, the company’s sustaining membership in C.A.S.E. may be terminated.

(b) Member representatives should assure that the representative’s company has a vendor surveillance program, procedures, and an auditor/evaluator that remain

in compliance with the requirements of the C.A.S.E. Manual.

(c) Member representatives should periodically conduct self-audits using CACS-6 Air Carrier Evaluation Report, to verify continued compliance.

(d) Member representatives should assure on-site audits are performed on all vendors assigned by the audit allocation program.

G. Audit Allocation Program. The C.A.S.E. allocation procedure is a system for assigning vendor audits to each sustaining member to perform during the coming calendar year. Members are required to complete the assigned audits to the C.A.S.E. standard by the specified date as a condition of membership.

H. Audits. C.A.S.E. audits are accomplished in the domestic United States as well as internationally and, in every event, to the C.A.S.E. standard. C.A.S.E. requires that the auditor should be independent of the facility being audited.

I. Standards. C.A.S.E. currently has three standards. However, the 1-A Standard (Component Repair/Overhaul Vendors) is the only standard associated with OpSpecs D090 and will be the only standard discussed in this chapter. The purpose of the C.A.S.E standard is to provide a benchmark to assure that all audits and reports are comparable in scope and depth. The 1-A Standard

reflects all of the applicable 14 CFR requirements. The standard may include requirements not specified in the regulations, but which experience dictates as a need. The member company conducting the audit should retain the audit report in their files until it is superseded by another sustaining member's audits of that facility to that standard. Each standard has a companion audit or evaluation form. The audit form for the 1-A standard is CACS-20. CACS-20 is the checklist for the 1-A standard. The standard is intended to be a supplement to applicable aviation regulations. It is not meant to be a restatement or replacement for 14 CFR.

J. Vendor Appeal Process. The C.A.S.E. program includes a process for vendors to appeal a deletion from the register by a C.A.S.E. auditor. The Audit and Compliance Committee chair should decide on the outcome of the appeal.

K. C.A.S.E. Auditor Authorization Program. C.A.S.E. ensures consistency in auditor qualifications by maintaining a strict training and certification program. Additional information on the C.A.S.E. Authorization Program is contained in the C.A.S.E. Manual, sections 2-3-0 and 2-3-1.

L. C.A.S.E. Audit of Sustaining Member's Company. The Audit and Compliance Committee is responsible for auditing sustaining members at least once every three years to verify compliance with current C.A.S.E. standards and procedures.

SECTION 2. PROCEDURES

1. PREREQUISITES AND COORDINATION REQUIREMENTS.

A. Prerequisites:

- Knowledge of C.A.S.E. Program/Manual

NOTE: ASIs directly involved in evaluating and surveillance of air carriers using C.A.S.E. might benefit from observing C.A.S.E. training, which is provided two times each year. ASIs in need of this should coordinate with the C.A.S.E. Program Manager in AFS-300 through their supervisors. Funding will be provided at the local level at the office manager's discretion.

- Knowledge of the regulatory requirements of 14 CFR part 121 or 135, as applicable
- Completion of the Airworthiness Inspectors Indoctrination course(s) or equivalent
- (Recommended) Completion of the Continuing Analysis and Surveillance System Course 25712

B. Coordination. The PMI should coordinate with the PAI on the evaluation of the air carrier's C.A.S.E. process.

C. Objective. To determine if the certificate holder's C.A.S.E. related policies and procedures meet all applicable requirements of 14 CFR, FAA policies, and the C.A.S.E. Manual.

3. REFERENCES, FORMS, AND JOB AIDS.

A. References:

- 14 CFR parts 121 and 135, as applicable
- FAA Order 8300.10, Airworthiness Inspector's Handbook, volume 1, chapter 3
- Current copy of C.A.S.E., air carrier section policy and procedures manual

- Copy of certificate holder's manual that contain C.A.S.E. policy and procedures

- AC 120-79, Developing and Implementing a Continuing Analysis and Surveillance System chapter 5

- SAI 1.3.24

B. Forms. None.

C. Job Aids/Data Collection Tools:

- JTA: M3.3.194

5. PROCEDURES.

A. Application. Existing air carriers should apply for C.A.S.E. authorization (OpSpecs D090) using applicable guidance contained in Order 8300.10, Volume 1, Chapter 3, The General Process for Approval and Acceptance. Air carrier applicants should use the certification process to request C.A.S.E. authorization. At the time of application, the certificate holder should present the following to the principal inspector (PI):

(1) Proof of C.A.S.E. sustaining memberships.

(2) Proof of employment of C.A.S.E. certified Level III Auditor or Level IV Evaluator.

(3) Proof of appropriate air carrier training provided to Level III Auditor or Level IV Evaluator.

(4) Proof of air carrier representative to C.A.S.E.

(5) Proof of C.A.S.E. required procedures in the air carrier's manual.

(6) List of C.A.S.E. allocated audits assigned to the air carrier and their completion dates. New substantial members may not be initially assigned allocated audits.

(7) Proof of air carrier representative air carrier self audit using CACS-6, Air Carrier Evaluation Report.

(8) List of any C.A.S.E. deviations or exemptions issued to the air carrier.

(9) Proof that the air carrier has been audited by the C.A.S.E. Membership Committee as a condition of membership approval.

B. Review and Evaluation. The PI should initially review and evaluate the air carrier's manual and verify that the air carrier has a process for:

(1) Validating that the C.A.S.E. audit, performed to the 1-A Standard, accounts for all aspects of the air carrier's inspection, maintenance, and alterations programs including future revisions to those programs.

(2) Ensuring compliance with the regulatory requirements of §§ 121.373(a) or 135.431(a), as applicable, for the analysis of C.A.S.E. audit results (data) and the determination of the effectiveness of the air carrier's program including the correction of discrepancies.

(3) Ensuring that their manual contains the C.A.S.E. minimum requirements contained in the C.A.S.E. Manual, chapter 2-2-0, and that they are not contrary to the air carrier's manual.

(4) Justifying a request for a C.A.S.E. deviation or exemption and informing the PI of any deviations or exemptions issued by C.A.S.E. to the air carrier.

(5) Immediately notifying the PI should the air carrier cease to maintain a sustaining membership to C.A.S.E. or lose the required auditor/evaluator.

(6) Ensuring that it maintains an active role in the C.A.S.E. organization as defined in the C.A.S.E. Manual.

(7) Tracking and completing C.A.S.E. allocated audits within the C.A.S.E. established time limits.

(8) Ensuring that the air carrier's C.A.S.E. representative performs periodic self audits using the CACS-6 Air Carrier Evaluation Report.

(9) Ensuring the use of the C.A.S.E. 1-A Standard and checklist when performing C.A.S.E. audits.

(10) Notifying the FAA if a safety of flight finding is discovered during an audit.

(11) Ensuring its C.A.S.E. auditors/evaluators maintain recurrent C.A.S.E. training.

(12) Ensuring its C.A.S.E. auditors/evaluators are kept current on changes in the air carrier's inspection, maintenance, and alteration programs.

(13) Maintaining records of C.A.S.E. audits as required by C.A.S.E.

(14) Ensuring its C.A.S.E. Manual is kept current and that the C.A.S.E. representative and C.A.S.E. auditors or evaluators are made aware of revisions to the manual.

(15) Keeping current the copy of the C.A.S.E. Manual if issued to the PMI.

(16) Identifying that the air carrier has primary responsibility for C.A.S.E. activities performed for it to include surveillance and the airworthiness of parts and material processed through any C.A.S.E. approved vendor or contractor approved for use by the certificate holder and for services rendered to the certificate holder.

(17) Maintaining the connection to the C.A.S.E. computer system with the appropriate hardware and software.

(18) Ensuring that the C.A.S.E. representative attends C.A.S.E. semi-annual conferences.

7. TASK OUTCOME. If the air carrier meets applicable regulatory requirements, FAA policy, and C.A.S.E. program requirements, the PI will issue OpSpec D090. If the air carrier does not meet these requirements, the PI should issue a letter denying the authorization and include the reasons for denial. Complete a PTRS report documenting activity associated with the approval or denial of the C.A.S.E. authorization.

9. FUTURE ACTIVITIES. Normal surveillance.